

113 - BUILDING AND SAFETY

Operational Summary

Description:

Safeguard the quality of life in unincorporated Orange County through stewardship of the environment, and application and enforcement of building, water and grading regulations.

Strategic Goals:

- Reorganize Building & Safety Division to address reductions in workload.
- Continue to collaborate with the building industry to identify opportunities to utilize automation, training and other measures to more efficiently deliver service.
- Monitor and adjust fees charged pursuant to new time and materials ordinance.
- Respond to short-term peak demand for plan check, inspections and code enforcement by use of other County & Contract staff.

Key Outcome Indicators:

Performance Measure	2005 Business Plan Results	2006 Business Plan Target	How are we doing?
NUMBER OF BUILDING AND HOME INSPECTIONS REQUESTED. What: Provide citizens of unincorporated Orange County safe building through compliance with bldg. codes. Why: To establish workload, staffing and fee requirements.	52,998 building and home inspections requested.	Revised projected 36,596 building and home inspections.	Decline in building inspections reflects a reduction in projected workload.
NUMBER OF NEW HOMES COMPLETED, CATEGORIZED BY BUILDING TYPE. What: Provide citizens of unincorporated Orange County safe building through compliance with bldg. codes. Why: To ensure housing opportunities for all residents.	562 new homes completed (96 Single and 466 Multi).	Revised projected 572 anticipated new homes completed (254 Single and 318 Multi).	Results are consistent with current workload.
PERCENTAGE OF INSPECTIONS/REVIEWS PERFORMED WITHIN 1 BUSINESS DAY. What: Provide efficient customer service to clientele. Why: To provide efficient service to clientele.	99% completed within 1 business day (Year-to-date).	99% completed within 1 business day (projected).	No reduction in service.

Key Outcome Indicators: (Continued)

Performance Measure	2005 Business Plan	2006 Business Plan	How are we doing?
	Results	Target	
PERCENTAGE OF PLAN CHECKS PERFORMED WITHIN 10 BUSINESS DAYS. What: Measure of service delivery efficiency. Why: To ensure prompt and effective client services.	80% of plan checks performed within 10 business days.	90% of plan checks performed within 10 business days (projected).	There is no reduction in services provided.

FY 2005-06 Key Project Accomplishments:

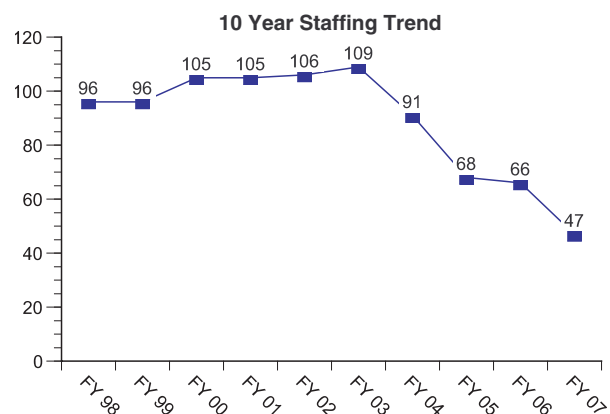
- PDS Time & Materials (T&M) Ordinance update - On July 26, 2005, the Board approved an Ordinance that establishes a revised time and materials deposit and fee structure for Building & Safety Fund 113 plan check and permit inspection services, and planning services.
- PDS Follow-up Audit - The Internal Audit Department performed a follow-up to determine the implementation status of recommendations made in audit report dated February 27, 2003. This follow-up audit indicated substantial improvement in PDS internal financial controls.
- PDS experienced a workload/revenue shortfall in the Winter 2005. Several mitigations were implemented. PDS achieved it's financial Action Plan goal and exceeded the cost/revenue targets at year-end. Building & Safety Fund 113 will add \$470,198 to its fund balance without using any of \$825,000 reserves.
- In addition, the CEO has hired a Consultant to conduct an internal audit of the Planning function financial system.

Subdivision & Grading Services - Building and Safety issues and inspects grading permits; maintains subdivision tentative maps; reviews and approves street and drainage improvement plans; processes Subdivision Committee Agenda; administers the master plan of drainage; and provides support of additional duties imposed by mandate of Planning & Development Services' role in Regional Water Quality Control Board's storm water permits pursuant to the Natural Pollutant Discharge Elimination System (NPDES) in conjunction with other departmental divisions, County departments and outside government agencies.

Building Permit Services - Reviews and approves all plans for building improvements and community development within unincorporated areas of the County for compliance with County building ordinances & applicable state building regulations; issues building, plumbing, electrical, mechanical, use and occupancy permits; and reviews acoustical reports for compliance with County land use and noise compatibility standards.

Building Inspection Services - Building Inspection Services provides the citizens of the unincorporated areas of Orange County with safe and secure buildings through compliance with the model codes and ordinances by professional inspections.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- Since FY 2005-2006, the PDS Strategic Financial Plan (SFP) projected annual position reductions in response to declining workloads. For FY 2006-2007 Budget, Building & Safety Fund 113 recommended a total reduction of eleven (11) positions. FY2006-2007 Budget will have a total of 47 positions after the reduction of these positions.
- In FY 2002-2003, as a result of Fund 113 Financial crisis, a staff reduction of twenty-eight (28) positions commenced through retirement/layoff/transfer process.

Budget Summary

Plan for Support of the County's Strategic Priorities:

This Fund is consistent with the County Strategic Financial Plan.

Changes Included in the Base Budget:

In November of 2005, RDMD and CEO/Finance identified the steepening decline in Fund 113 permits and revenues compared to SFP forecasts. Analysis of this trend indicated that if this decline were to continue without change, it would result in a deficit for the Fund 113 at the end of the fiscal year. An Action Plan was developed on January 2006 and implemented after coordination with CEO/Budget and HR Department on March 27, 2006 to mitigate this situation. Mitigations include: transfer of employees, reductions in Services & Supplies expense categories, adjustments to billings, and potential use of Fund Balance Available. The sufficiency of these mitigations are being closely monitored on a weekly basis by RDMD in coordination with County Executive Office Budget Office to ensure that Fund 113 is balanced at year-end.

The FY2006-2007 Recommended Base Budget for Building & Safety Fund 113 was adjusted for the following:

a) Budget augmentation for the deletion of eleven (11) positions consistent with the 2005 SFP. This augmentation was recommended by CEO/Budget to be rolled into the base budget;

b) To incorporate the agreement entered into effective March 7, 2006 between RDMD and the Orange County Employees Association (OCEA). One of the conditions of the agreement is that no vacated position will be eliminated before June 30, 2008. As a result, RDMD has submitted a Technical Adjustment to defund Salary & Employee Benefits appropriations for the eleven (11) positions involved in the transfers to other divisions within RDMD to ensure that appropriations are not expended; and

c) A Technical Adjustment for an increased appropriation of \$900K for Plan Check Consultant contract services to provide plan check support to Planning & Development Services (PDS) during peak workload periods and extended employee absences. This action is consistent with the negotiations and agreements between OCEA and the County. The cost of these services will be reimbursed by the customers deposits as stipulated by the "PDS Fee Ordinance 05-015."

Final Budget History:

Sources and Uses	FY 2004-2005 Actual Exp/Rev	FY 2005-2006 Budget	FY 2005-2006 Actual Exp/Rev ⁽¹⁾	FY 2006-2007 Final Budget	Change from FY 2005-2006 Actual	
		As of 6/30/06	As of 6/30/06		Amount	Percent
Total Positions	68	58	58	47	(11)	-18.97
Total Revenues	13,254,417	12,899,139	11,631,281	9,519,130	(2,112,151)	-18.16
Total Requirements	11,925,807	12,899,139	10,657,473	9,519,130	(1,138,343)	-10.68
Balance	1,328,610	0	973,808	0	(973,808)	-100.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2005-06 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Building and Safety in the Appendix on page A105

Highlights of Key Trends:

- RDMD/Building & Safety will continue to actively monitor workload levels and take appropriate mitigating actions as necessary. This includes the update of a new Automated Time & Materials System (APPS) cost recovery system.
- In addition, PDS has also made organizational changes in response to workload and continues to work with the building industry on further improvements, principally

through the Development Processing Review Committee (DPRC) appointed by the Board of Supervisors and through the Local Governmental Affairs Committee of the Building Industry Association (BIA) of Orange County. In addition, Planning has worked on a regular basis with the DPRC and BIA to improve services to the public and keep costs manageable and under control.

113 - Building and Safety

Summary of Final Budget by Revenue and Expense Category:

Revenues/Appropriations	FY 2004-2005		FY 2005-2006		FY 2005-2006		FY 2006-2007		Change from FY 2005-2006	
	Actual Exp/Rev		Budget		Actual Exp/Rev ⁽¹⁾		Final Budget		Actual	
			As of 6/30/06		As of 6/30/06				Amount	Percent
Licenses, Permits & Franchises	\$ 10,311,516	\$	9,560,847	\$	8,463,549	\$	8,032,000	\$	(431,549)	-5.10%
Revenue from Use of Money and Property	138,422		111,341		293,189		325,000		31,811	10.85
Intergovernmental Revenues	(5,980)		0		0		0		0	0.00
Charges For Services	1,477,969		1,483,470		979,149		343,494		(635,655)	-64.92
Miscellaneous Revenues	76,804		71,884		115,436		112,565		(2,871)	-2.49
Other Financing Sources	394,322		342,987		342,987		353,277		10,290	3.00
Total FBA	697,231		1,328,610		1,328,610		352,794		(975,816)	-73.45
Reserve For Encumbrances	164,133		0		108,362		0		(108,362)	-100.00
Total Revenues	13,254,417		12,899,139		11,631,281		9,519,130		(2,112,151)	-18.16
Salaries & Benefits	6,544,889		6,452,794		5,095,743		4,009,868		(1,085,875)	-21.31
Services & Supplies	5,431,376		5,653,396		4,770,046		5,508,612		738,566	15.48
Services & Supplies Reimbursements	(50,457)		(47,651)		(33,869)		0		33,869	-100.00
Other Charges	0		600		553		650		97	17.64
Fixed Assets	0		15,000		0		0		0	0.00
Reserves	0		825,000		825,000		0		(825,000)	-100.00
Total Requirements	11,925,807		12,899,139		10,657,473		9,519,130		(1,138,343)	-10.68
Balance	\$ 1,328,610	\$	0	\$	973,808	\$	0	\$	(973,808)	-100.00%

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2005-06 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Final Budget Summary of Subdivision & Grading Services:

Revenues/Appropriations	FY 2004-2005		FY 2005-2006		FY 2005-2006		FY 2006-2007		Change from FY 2005-2006	
	Actual Exp/Rev		Budget		Actual Exp/Rev ⁽¹⁾		Final Budget		Actual	
			As of 6/30/06		As of 6/30/06				Amount	Percent
Licenses, Permits & Franchises	\$ 2,091,394	\$	1,917,655	\$	2,133,674	\$	1,214,677	\$	(918,997)	-43.07%
Charges For Services	1,458,475		1,452,209		850,101		326,500		(523,601)	-61.59
Miscellaneous Revenues	0		2,500		(2,340)		0		2,340	-100.00
Total Revenues	3,549,870		3,372,364		2,981,436		1,541,177		(1,440,259)	-48.31
Salaries & Benefits	1,877,707		1,991,538		1,639,535		1,113,116		(526,419)	-32.11
Services & Supplies	1,452,658		1,428,277		1,404,507		1,556,792		152,285	10.84
Other Charges	0		200		188		200		12	6.33
Total Requirements	3,330,365		3,420,015		3,044,230		2,670,108		(374,122)	-12.29
Balance	\$ 219,504	\$	(47,651)	\$	(62,795)	\$	(1,128,931)	\$	(1,066,136)	1,697.81%

Final Budget Summary of Building Permit Services:

Revenues/Appropriations	FY 2004-2005		FY 2005-2006	FY 2005-2006	Change from FY 2005-2006						
			Budget	Actual Exp/Rev ⁽¹⁾	FY 2006-2007	Actual					
	Actual	Exp/Rev	As of 6/30/06	As of 6/30/06	Final Budget	Amount	Percent				
Licenses, Permits & Franchises	\$	2,055,168	\$	1,210,529	\$	2,157,283	\$	2,518,493	\$	361,210	16.74%
Charges For Services		91		3,485		124,953		3,892		(121,061)	-96.89
Total Revenues		2,055,259		1,214,014		2,282,235		2,522,385		240,150	10.52
Salaries & Benefits		1,472,720		1,400,985		1,149,203		872,148		(277,055)	-24.11
Services & Supplies		1,604,410		1,695,761		978,289		1,723,647		745,358	76.19
Other Charges		0		300		282		300		18	6.33
Total Requirements		3,077,131		3,097,046		2,127,774		2,596,095		468,321	22.01
Balance	\$	(1,021,871)	\$	(1,883,032)	\$	154,461	\$	(73,710)	\$	(228,171)	-147.72%

Final Budget Summary of Building Inspection Services:

Revenues/Appropriations	FY 2004-2005		FY 2005-2006		FY 2005-2006		Change from FY 2005-2006				
	Actual Exp/Rev		Budget		Actual Exp/Rev ⁽¹⁾		Actual				
	As of 6/30/06		As of 6/30/06		Final Budget		Amount Percent				
Licenses, Permits & Franchises	\$	6,164,953	\$	6,432,663	\$	4,172,592	\$	4,298,830	\$	126,238	3.03%
Revenue from Use of Money and Property		138,422		111,341		293,189		325,000		31,811	10.85
Intergovernmental Revenues		(5,980)		0		0		0		0	0.00
Charges For Services		19,403		27,776		4,095		13,102		9,007	219.99
Miscellaneous Revenues		76,804		69,384		117,776		112,565		(5,211)	-4.42
Other Financing Sources		394,322		342,987		342,987		353,277		10,290	3.00
Total FBA		697,231		1,328,610		1,328,610		352,794		(975,816)	-73.45
Reserve For Encumbrances		164,133		0		108,362		0		(108,362)	-100.00
Total Revenues		7,649,288		8,312,761		6,367,610		5,455,568		(912,042)	-14.32
Salaries & Benefits		3,194,462		3,060,271		2,307,005		2,024,604		(282,401)	-12.24
Services & Supplies		2,374,307		2,529,358		2,387,250		2,228,173		(159,077)	-6.66
Services & Supplies Reimbursements		(50,457)		(47,651)		(33,869)		0		33,869	-100.00
Other Charges		0		100		82		150		68	82.28
Fixed Assets		0		15,000		0		0		0	0.00
Reserves		0		825,000		825,000		0		(825,000)	-100.00
Total Requirements		5,518,312		6,382,078		5,485,469		4,252,927		(1,232,542)	-22.47
Balance	\$	2,130,976	\$	1,930,683	\$	882,142	\$	1,202,641	\$	320,500	36.33%